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The Appalachian region of Southwest Virginia was selected as a surplus labor area in a pilot project to show the effectiveness of using financial assistance to increase mobility and reduce unemployment. Most of the workers were relocated in Alexandria, Newport News, Richmond, and Petersburg. Of the 920 unemployed workers interviewed, 200 were relocated an average distance of 300 miles with an average relocation allowance of $194. Some findings were: (1) The relocation effort was aided by financial assistance, (2) The tendency to relocate was greater among young people, (3) The tendency to return after relocation was highest among the very young and the old, (4) Employers were willing to cooperate, and (5) Many factors other than financial assistance influenced the program's success. Some problems were: (1) Approximately 89 percent of those interviewed had financial reserves of less than $100 which was not enough to tide them over until their first wages were received, (2) Recruiting for Job Corps and Manpower Development and Training Act classes was competitive with the relocation program, and (3) The time was insufficient to train the interviewers adequately. Some suggestions of the relocatees were: (1) Provide more detailed and specific job information, (2) Provide more help in locating housing and getting oriented, (3) Pay assistance money with less delay, and (4) Provide relocatees an opportunity to talk to employers before taking jobs. (DM)

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VIRGINIA EMPLOYMENT COMMISSION

Employment Service - Unemployment Compensation

Richmond, Virginia

ED023788

Final Report

Virginia Labor Mobility Pilot Project

VT002426

January 3, 1966

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
OFFICE OF EDUCATION

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VIRGINIA EMPLOYMENT COMMISSION

Employment Service - Unemployment Compensation

Richmond, Virginia 23211

FINAL REPORT.

VIRGINIA LABOR MOBILITY PILOT PROJECT.

Prepared by

Research, Statistics and Information Division

Virginia Employment Commission

January 3, 1966

I PURPOSES

A. General Background and Purposes of Virginia's Project

Beginning in April, 1965, the Virginia Employment Commission conducted a Labor Mobility Demonstration Project under the Manpower Development and Training Act of 1962. The project was designed to show the effectiveness of using financial assistance both to increase the mobility of unemployed workers and to reduce unemployment. The project was a research program in nature, and its purpose was to gather information about all phases of a mobility project rather than to move people per se.

The people chosen for the experiment are residents of the Appalachian region of Southwest Virginia. This area is chiefly one of low income farming and coal mining, and for many years it has experienced a rising unemployment rate coupled with a declining population. The unemployed workers in the area fall mainly into two groups; those older workers displaced by automation in the coal industry, and young persons who have recently entered the labor force. Due to the lack of industry and to the general economic structure of the area, these persons are enveloped in a pocket of structural unemployment.

In contrast to the depressed economy of southwest Virginia, the eastern part of the state is enjoying a period of accelerated economic growth. The population of the area has increased sharply in the past ten years but the increase in population has failed to keep pace with some of the jobs opening in the industrial sections of the state. Many of these jobs are on the skilled, semi-skilled, and unskilled level, and they are suitable for Appalachian workers. MDTA training programs are being conducted in southwest Virginia in various occupations as an effort to train workers for these jobs. However, the past trend of migration from southwest Virginia has been to Ohio, Michigan, and Tennessee, with only a small percentage of the migrating workers coming to the eastern part of Virginia. Thus, an alternative purpose of our program was to inform MDTA graduates and other workers in southwest Virginia about jobs in eastern Virginia and to inform employers about the surplus labor existing in southwest Virginia.

Therefore, based on our internal needs, we proposed and carried out an intrastate labor mobility program, following the guidelines set by the Department of Labor. We had defined

demand and supply areas and a project director who coordinated their activities. Our supply area consisted of eight counties in the far southwestern part of the state. They are served by three Virginia Employment Commission local offices. There was a "mobility project officer" in each office who interviewed applicants and cleared their applications to the demand area.

The demand area comprised all of the other counties in the state and is served by 31 local Employment Commission offices. There was a "mobility project officer" in each office who processed applications from the supply area and developed job openings. The project was carried out under regular, but accelerated, ES Clearance. The major new aspect of clearance added by the project was the idea of giving financial assistance to relocatees. However, the actual payment of the relocation allowances was handled by the Unemployment Compensation Division of the Virginia Employment Commission.

The project moved slowly at first, but we picked up speed as we gained experience. In the final analysis we moved 200 people, and although 75 of them had returned by the end of September, we know that the program can work. We don't believe that financial assistance is the only criteria for successfully relocating workers, but it is a big help. We do know that jobs exist for Appalachian workers, but we have to bring the job and the worker together.

B. <u>The Specific Nature of Virginia's Mobility Program</u>

Virginia conducted an intrastate labor mobility project, having both the supply area and the demand area within its boundaries. Our supply area consisted of eight counties in the economically depressed Appalachian Region of Southwest Virginia. These counties are served by the Appalachia, Bristol, and Richlands local offices of the Virginia Employment Commission. The remaining counties in the state constituted the demand area.

Our project was designed to be a type B project, with our project population being limited to MDTA trainees and persons who had applied for MDTA training. However, we deviated from our proposal somewhat and included other persons who had not applied for MDTA training. We set a goal of 1,000 interviews and 200 relocations and we ended the project with 920 interviews and 200 relocations.

Although we designated all but eight counties as our demand area, we moved most of our relocatees to the industrial centers of the state. The most widely used relocation areas were Alexandria, Newport News, Richmond and Petersburg. About one half of our relocatees were MDTA trained, mostly in skilled, clerical and service occupations. The remainder of the relocatees, for the most part, were semi-skilled and unskilled workers. We gave financial assistance to 159 people, formulated on a half loan - half grant basis. We provided them with a total of $31,019.56, including both loans and grants. The average of their allowances was $195.09.

Generally speaking, we worked alone on this project. We contacted the welfare agencies in the supply area and they agreed to send us any qualified workers they might have. However, they all responded later that they didn't have any qualified workers. Except for referring relocatees in the demand area to Traveler's Aid, the Red Cross, and similar agencies, we had little contact with other institutions.

Aside from the relocatees, business was the chief beneficiary from our project. Many employers learned for the first time of the labor surplus in southwest Virginia. Several employers took advantage of the opportunity and sent recruiters to our supply area Employment Commission offices. The Virginia Employment Commission also benefited by the program, because it accelerates the activities in the Supply Area local offices and brought the staff in these offices closer to the problems of the people it represents.

II INTRODUCTION

A. Statement of Problem

In Southwest Virginia, unemployment has persisted at a high level for many years. At the same time, jobs have gone unfilled in the remainder of the state. The basic problem, therefore, is that a relatively large number of people are unemployed in one area of the state at the same time that a shortage of workers exists in other areas. The objective of this project was to determine whether or not the Virginia Employment Commission could, by the use of financial assistance and a planned concentrated effort, relocate the unemployed workers of Southwest Virginia to suitable jobs in other areas of the state.

B. Content Outline

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III SCOPE OF THE PROJECT

A. Economy in Demand and Supply Areas

1. Supply Areas

The project population was selected from the Bristol, Appalachia and Richlands local office areas. All of the counties that make up these areas are in the economically depressed Appalachian Region of Southwest Virginia. Specific descriptions of the areas are as follows:

Bristol

The Bristol local office area conprises Washington and Scott counties and the Virginia part of the Independent City of Bristol. The population of this area in 1950 was 81, 130. By 1960 the total had dropped to 81, 033 and by 1964 had registered an estimated further loss to 80, 871. The total work force is 25, 841. During the past twelve months the unemployment rate for the area has varied between 3.8 per cent and 7.3 per cent, with an average unemployment rate of 5.5 per cent.

The major manufacturing industry for the area is machinery production, which employs an estimated 1, 345 persons. Approximately 1, 130 people are engaged in food processing and 738 are employed by apparel manufacturers. Of the total labor force, 5, 494 persons are employed in manufacturing industries. This is about 22 per cent of the labor force.

Approximately 10, 787 or 42 per cent of the workers are engaged in non-manufacturing activities. Of this number, 125 work in coal mines, 847 in construction, 1, 069 in public utilities, 3, 243 in trade, 513 in finance, insurance and real estate, and 92 in all other activities. Self-employed persons, unpaid family and domestic workers account for 2, 911 people. Agricultural employment averages 5, 233 persons or about 20 per cent of the labor force.

Appalachia

The Appalachia local office area is made up of Wise and Lee counties and the City of Norton. The total population of the area in 1950 was 92, 290. By 1960 the total had dropped to 74, 590 and by 1964 had registered an estimated further loss to 71, 750. The total work force is 17, 882. During the past twelve months, the unemployment rate has not been below 9.6 per cent of the work force and has averaged 11.6 per cent. The major industry of the area is coal mining with 2, 692 workers or 15 per cent of the total labor force being employed by the mines. The agricultural employment of the area is 2, 008 or 11.2 per cent of the labor force. Only 940 workers or slightly more than 5 per cent are engaged in manufacturing. The remainder of the work force is employed in construction, trade, service and government.

Richlands

The Richlands local office area includes Dickenson, Russell, Tazewell and Buchanan counties. The population of this area in 1950 was 133, 471. By 1960 the total had dropped to 128, 016 and by 1964 had registered an estimated further loss to 126, 638. The estimated work force is 32, 218. During the last twelve months, the unemployment rate has not been below 7.3 per cent and has averaged about 8 per cent. Mining is the major industry of the area, employing 9, 442 workers or 29 per cent of the work force. Manufacturing of all types accounts for only 2, 940 workers or 9 per cent of the work force. Approximately 9 per cent of the labor force or 3, 000 people are employed in agriculture. The remainder of the working population is employed in construction, government, trade, services, and transportation.

2. Demand Areas

The demand areas included all of the state of Virginia except the eight counties that were used as the supply area. However, most of the jobs offered relocatees were in the metropolitan centers of the state. The statistical data presented below pertains primarily

to the population, work force, unemployment rates and industries of these centers, and does not include the rural farm population lying between them. The population of the state in 1950 was 3,318,680. By 1960 the total had increased by 635,749 to 3,954,429 and by 1964 had further increased by 424,974 to an estimated total of 4,379,403.

Since 1960, the population of Virginia has increased by 10.7 per cent as compared to the National increase of 6.7 per cent. While there has been a steady increase in the population of the state since 1950, most of the growth has been confined to the urban centers. The rural population, especially the Southwestern Appalachian Region, has shown a steady loss in population during this period. The primary demand areas for this project were:

Norfolk-Portsmouth

The population of this area, according to the 1950 census, was 446,200. By 1960 the total had increased to 578,507 and by 1964 had further increased to an estimated 657,458. Current estimates place the total work force at 200,325. Of this number 4,125 or 2.1 per cent were unemployed in September, 1965. During the past year the unemployment rate has not been above 3.3 per cent and has averaged about 2.5 per cent. Manufacturing in such durable and nondurable goods as transportation equipment, lumber and wood products, fabricated metals, chemicals, apparel and food is the major industry in the area. The Federal, State, and Local Governments employ 50,750 workers in such activities as shipbuilding, education and health service. Services, trade, construction, transportation, finance, insurance and real estate account for the remainder of the work force.

Newport News-Hampton

The population of this area, according to the 1950 census, was 154,977. By 1960 the total had increased to 224,503 and by 1964 had further increased to an estimated 267,345. The total work force is 94,450. Latest estimates place the unemployed at 2,050 or 1.5 per cent of the work force. During the past year the unemployment rate has not gone above 2.6 per cent and has averaged about 2.1 per cent. In September, 25,700 workers were employed in manufacturing,

6,275 in construction, 3,900 in transportation and public utilities, 11,725 in trade, 2,425 in finance, insurance and real estate, 21,800 in government and the remainder in services and other employment.

Richmond

The Richmond Labor Market Area is made up of the City of Richmond and the Counties of Chesterfield, Hanover and Henrico. The population of this area in 1950 was 350,035. By 1960 the total had increased to 436,044 and by 1964 had further increased to an estimated 483,748. Of a total work force of 229,600, approximately 3,800 or 1.6 per cent were unemployed in October, 1965. During the past year, unemployment has varied between 1.6 per cent and 2.7 per cent with an average of 1.9 per cent. Approximately 22 per cent of the total work force or 49,700 people are employed by manufacturing firms. These firms make a variety of goods including lumber and wood products, metal products, tobacco products, and chemicals and allied products. Non-manufacturing employment in construction, trade, transportation, services, government and other activities accounts for 150,800 workers.

Northern Virginia

This area includes the Cities of Alexandria, Fairfax, and Falls Church and the Counties of Arlington and Fairfax. The population of this area in 1950 was 303,328. By 1960 the total had increased to 527,098 and by 1964 had further increased to an estimated total of 630,860. Of a total work force of 252,400, approximately 4,850 or 1.9 per cent are presently unemployed. Unemployment over the past year has not risen above 2.7 per cent and has averaged about 2.3 per cent. Almost half of the work force works for the government with the remainder being employed in construction, trade, manufacturing, transportation and services.

Roanoke

The population of this area in 1950 was 133,400. By 1960 the total had increased to 158,803 and by 1964 had further increased to an estimated 174,890.

The total work force in November, 1965, was 80,125 of which 1,625 or 2.0 per cent are unemployed. Unemployment during the past year has averaged about 2.5 per cent. Manufacturing in such durable and nondurable goods as furniture, fabricated metals, food, textiles and apparel accounts for 16,625 or 21.2 per cent of the workers. The remaining 61,750 are employed in construction, transportation, trade, service, government, agriculture, and other activities.

Other Demand Areas

Other demand areas were Charlottesville, Fredericksburg, Harrisonburg, Staunton-Waynesboro, Winchester, Petersburg-Hopewell-Colonial Heights, Lynchburg, Danville and Radford. The combined population of these areas in 1950 was 725,461. By 1960 the total had increased to 794,007 and by 1964 had further increased to an estimated 858,611. The total work force, according to latest estimates, is 336,866. The number of unemployed in the nine areas is 6,706, or approximately 2 per cent of the work force. The rate has remained relatively constant at about the present level during the past year. Of the total work force of the areas, 104,892 or 31.1 per cent are employed in manufacturing, primarily in the production of food, textiles, apparel, lumber and furniture, tobacco products, fabricated metals and chemicals. Other major sources of employment are construction with 18,780 workers, transportation, communication and public utilities with 12,424 employees, wholesale and retail trade with 41,747, services with 27,216 and government with 46,466 employees.

3. Prospects for Economic Growth in the Supply Area

The economy of the Supply Area has been dominated by the coal mining and farming industries for many years. As in most areas dominated by one or two resources, the development of a broadly based stable economy has been very difficult. This area does have potential for economic growth, but such growth will depend, in large part, on the progress that can be made on such programs as those listed below.

a. A network of improved roads linking the area to nearby cities and to the interstate highway system. Internal roads are also needed, principally north - south across the mountain ridges which divide the area.

b. Programs to increase the education and skills of the people of the area. Surveys made by the Virginia Employment Commission and experience with MDTA trainees show that a vast majority of the unemployed people in the area have less than an eighth grade education. With the exception of Wise and Washington counties, vocational training has been virtually non-existent in the area. Obviously, an increase in the education and skills of the population would make the area more attractive to industry.

c. A program to develop and promote recreational opportunities, both to attract tourists and to make the area a more pleasant place to live and work.

d. A program of industrial development, based on a thorough knowledge of the area's natural resources, its access to markets, industrial sites, labor supply and skills, and community facilities.

The need for these programs is well known to local, state and national officials and much has, and is being done to carry them out. For example, work has been accelerated to complete a network of first class highways in the area. Construction work on U. S. highways 460, 23, and 58 is going forward at a rapid pace. As for education and training, a great part of the training conducted under MDTA in Virginia has been concentrated in this area. The various laws to provide aid to education, recently passed by Congress, will provide funds and opportunities for education that have never been available to this area. The State Division of Industrial Development is well aware of the needs and the potential of the area, and it is working hard to attract new industries.

The economy of Virginia's Appalachian Region has been stagnant for many years. It has recently been recognized that outside help is needed, and help is now being provided under a variety of programs. Using the assistance now being provided, it is hoped that the people of the area will eventually be able to establish a stable, deversified economy.

4. Supply Area Trends in Population and Income

Population Trends, 1920-1960, by County and State

County* or State	1920	1930	1940	1950	1960
Buchanan	15,441	16,740	31,477	35,748	36,724
Dickenson	13,542	16,163	21,266	23,393	20,211
Lee	25,293	30,419	39,296	36,106	25,824
Russell	26,786	25,957	26,627	26,818	26,290
Scott	24,776	24,181	26,989	27,640	25,813
Tazewell	27,840	32,477	41,607	47,512	44,791
Washington	39,105	42,690	47,965	53,490	55,220
Wise	46,500	51,167	52,458	56,336	48,575
State of Va.	2,309,187	2,421,851	2,677,773	3,318,680	3,966,949

*Washington County includes the City of Bristol, Va., and Wise County includes the City of Norton.

From the above chart, we can see that the population of these eight counties mushroomed between 1920 and 1950. In this span of thirty years, these counties gained 87,760 people, or a 40 per cent increase over their 1920 population. Much of this growth was due to an in-migration of people who came to work the coal mines in Buchanan, Dickenson, Lee, Tazewell, and Wise counties.

Beginning in the late 1940's, coal mining in these counties came under the influence of automation. Since then, thousands of workers have been laid off and many of them have left the area. Between 1950 and 1960, four of these five counties have lost a lot of their population, and people are still leaving. The following chart traces the pattern of employment in coal mining, by county, between 1950 and 1964.

Employment in Coal Mining, 1950-1964*

County	1950	1960	1964
Buchanan	4,543	4,661	4,987
Dickenson	3,010	2,526	2,068
Lee	2,309	519	454
Tazewell	3,300	2,054	1,410
Wise	4,770	2,574	2,185

*These figures are for the month of March for each year.

The miners in Buchanan and Dickenson counties were the least affected by the automation in coal mining. Although each mine employs less workers than it did before 1950, many new mines have opened in these counties and they have taken up much of the surplus labor. The miners in Tazewell County have also been fortunate, for many of them have been absorbed by an increase in manufacturing. Lee and Wise counties have lost the most people through out-migration, because there hasn't been enough industry to hold them. Between 1950 and 1960, Lee County had a total out-migration of 15,113 and Wise County had a total out-migration of 17,897.

The people of Russell, Scott, and Washington counties have never been involved in coal mining to any appreciable extent. There are a few mines in operation in each county, but the chief industry in these counties is agriculture. In addition to farming, many persons in Washington and Scott counties commute to work in Bristol and nearby Kingsport, Tennessee.

Due to the lack of industrial growth and to the prevailing high rate of unemployment, the people of southwest Virginia lag way behind the state in personal income and wealth. Income figures are not available for the period preceding 1960, but we believe that personal incomes have been low in this area since the late 1940's. The following chart shows the median family income in 1960 for each of the eight counties, in relation to the state average.

Median Family Incomes, 1960

County	1960
Buchanan	2,992
Dickenson	2,944
Lee	1,856
Russell	2,933
Scott	2,637
Tazewell	3,622
Washington	3,347
Wise	3,450
State Average	4,964

B. Our Methods of Operation

Our project ran from April 6, to September 30, 1965. In the initial stages of the project, we concentrated on interviewing those MDTA trainees who would be graduating prior to June 30, 1965. We also interviewed persons who were refused MDTA training, either because classes were full or because they did not qualify for training. Most of these trainees, or prospective trainees, were part of the MDTA Youth Project, which was being conducted in Wise County. For the most part, they were single boys and girls between the ages of 16 and 21, and they had a low level of education.

There were MDTA training programs in all three of our supply areas; Richlands, Bristol, and Appalachia. Throughout the project, we visited the training facilities and interviewed most of the trainees, prior to their graduation. Most of the training programs in southwest Virginia were based on a statewide demand for the various occupations. Therefore, before the labor mobility project began, we knew that many of the MDTA graduates would have to leave the area to find jobs.

As the project progressed, we branched out and interviewed several hundred people who had not had any contact with MDTA training. These people include applicants for jobs,

Unemployment Insurance claimants, and persons responding to positive recruitment. Employers in metropolitan areas heard of the surplus labor in southwest Virginia and many of them sent recruiters to our local offices in Appalachia, Bristol, and Richlands. Advertisements were run in the local newspapers and many workers came to be interviewed. We brought as many of these positive recruitments as we could into our population, but we didn't have the time or the staff to interview all of them. There were many more unemployed workers in the area, but we didn't go out and recruit anybody. In fact, except for advertising the arrival of positive recruiters, there wasn't any local publicity on labor mobility.

We interviewed and screened applicants according to the instructions in the Handbook for Labor Mobility Demonstration Projects. All of the interviews took place in the local offices, on a face to face interview basis. We completed the forms ES-260 and ES-262 for every person we interviewed. However, we only completed the ES-261 on those eligible persons who were interested in relocating. Also, as we conducted an intrastate project, we had to rule some people ineligible simply because they were not residents of the state of Virginia.

For the most part, we didn't conduct any bona fide counseling interviews with our applicants. The project interviewers told the eligible people about the program and what they could expect from it. They also told them about jobs available in the eastern part of the state and of their own personal knowledge about the various demand areas. However, aside from the counselors who administered the GATB and other tests, we didn't have any qualified counselors working on the project. The local office counselors administered the GATB and other tests, as it was necessary. However, they made some substitutions for three of the tests that were prescribed in the Handbook. They substituted the Culture Fair Intelligence Test for the Non-verbal USES Test; part VII of the GATB for the TOGA Test; and SRA Series 2-4, or 4-6 for the Stanford Achievement Tests. Those persons who had graduated from MDTA classes had already been tested, as had many other persons whose applications were on file at a local office. In addition to these people, we tested many others, for recruiters and also for clearance purposes. Our testing was conducted by appointment and not usually at the time of the initial interview.

After an applicant had been interviewed, screened and tested, we referred his application to ES Clearance. This clearance system had been established for many years, although it had not been used to its fullest extent. In the initial phase of the project, we didn't have any specific job orders to fill, so we sent the clearance applications to any area where we thought a demand existed for the applicant's skills. If the applicant did not have any marketable skills, we sent his application to the Project Director, to distribute as he saw fit. The demand area offices tried to develop job openings to fit the clearance applications and they also sent the supply area offices any other hard-to-fill openings which might be suited to Appalachian workers. After the project had been operating for about two months, a list was made of the primary D.O.T. codes for all applicants who were still willing to move. This list was kept up-to-date and was circulated among the demand area offices, to give them an idea of the applicants' skills. During the six month period between April 6, and September 30, 1965, 569 job openings were developed for the mobility project. The breakdown of these openings, by occupations, is as follows:

Professional	39
Clerical and Sales	87
Services	72
Agricultural	10
Skilled	168
Semi-skilled	60
Unskilled	133

The openings that were developed for our project are for jobs that were hard to fill in the demand areas. However, the wages paid in these jobs are normal for the occupation and are not substandard in relation to the skill level required for the job. Many of the job openings that we developed were for MDTA graduates and for other persons without lengthy on-the-job experience. Therefore, the wages paid in these jobs were at the "entry level" and are not the wages usually paid for qualified, experienced workers.

Most of the job referrals made during the project were direct referrals, where the applicant visited the employer in the demand area, for a "face-to-face" interview. However, in other cases, applicants were referred to positive recruitment or their application was mailed to the employer. Some MDTA graduates were referred by mail, because the employers were satisfied with the first few MDTA graduates they had hired, and they would hire others without a "face-to-face" interview. We had been authorized to grant interview money to workers, so that they could travel to the demand area for a face-to-face interview with a prospective employer. In the final analysis, only 31 persons applied for this grant and eight of these later refused the money. However, of the twenty-three persons who accepted and used the money, twenty were hired.

During the course of the project 317 people were referred to jobs, and 200 of these were hired.

C. Staffing

1. Number of individuals actively engaged in Project:

Central Office - 10 Field Offices - 21

Majority of work performed by personnel hired for project in Supply Area, or specially designated Local Mobility Project Officers.

2. Total number of individuals who have worked at any time on Project:

* Central Office - 35 Field Offices - 62

* (Includes E.S., U.I., Bus. Mgt., Stockroom, Auditing, Payment Unit, etc.)

3. Time spent by individuals who have worked on Project:

Central Office - 6,286 hours Field Offices - 8,690 hours

From inception until 9/30/65 - subsequently the Central Office 634 hours; Field Offices 252 hours.

4. Education and training of actively engaged individuals:

Majority of active participants were Local Office Managers, Employment & Claims Interviewers, Employment Counselors, Employment Interviewer Supervisors. All would have college degree or acceptable work experience substituted for education on an equivalent year basis.

5. Location of actively engaged individuals:

Aside from Central Office, as follows: Appalachia, Bristol, and Richlands (as Supply Offices); Alexandria, Richmond, Newport News, Norfolk, Petersburg, Charlottesville, Harrisonburg, Waynesboro, Staunton, Winchester, Roanoke, Seven Corners (as principal Demand Area Offices).

6. Cooperation with E. S. clearance personnel:

Continuing and very good.

IV. QUANTITATIVE RESULTS

A. Total Population	
1. Number of people interviewed	920
2. Number initially willing to move	861
3. Number initially unwilling to move	59
4. Number found ineligible in initial interview and never subsequently ruled potentially eligible	101
5. Number found initially eligible but subsequently ruled ineligible	106
B. Eligibles	713
1. Number initially eligible and not subsequently ruled ineligible	704
2. Number initially found ineligible, but later found eligible	9
3. Eligible and willing to move	659
a. Initially willing to move	659
b. Initially unwilling to move	0
4. Not willing to move	2
a. Initially willing to move	0
b. Initially unwilling to move	2
C. Number of Job Openings Developed	569
D. Special Services	
1. Number of workers given:	
a. Group orientation	114
b. Group counseling	117
c. Training in how to get a job	113
2. Number of workers referred to outside assistance in Supply Area. (Total)	
a. Medical assistance	0
b. Local assistance	0
c. Financial assistance	0

3. Information (in demand area) on:

a. Housing	78
b. Schools	7
c. Shopping	40
c. Churches	6
E. Eligible Workers Not Selected for Referral	393
F. Eligible Workers Selected for Referral	317
G. Number Workers Hired and Began Work	200
H. Number of Relocatees Who Found Jobs on Own	3
I. Workers Relocating Out of Supply Area	200
J. Number of Relocatees Who Received R.A.A.	159
1. Remained in new job area	85
2. Returned home	74
3. Moved elsewhere in demand area	4
4. Number of individuals who have changed employers since relocation	14
5. Number of relocated workers who have friends and relatives in new job area	19
6. Number of relocated workers renting home or apartment in new job area	68
7. Number of relocated workers living with relatives and friends in new job area	3
8. Number of relocated workers who found homes in new job area through friends and relatives	18
9. Number of relocated workers presently unemployed and in training in new job area	0
10. Number of individuals having financial difficulties with lease or mortgage on home in "old area"	1

K.	Number of Relocatees Who Were Eligible for R.A.A. but Did Not Receive It	41
	1. Remained in new job area	19
	2. Returned home	22
L.	Number of Relocatees Who Were MDTA Graduates	104
M.	Number of Local Placements Resulting from Project	25
N.	Number of Relocatees Who Received Special Services	150
	1. Kinds of Services	
	a. Help in finding housing	
	b. Help in arranging transportation to work	
	c. Information as to best places to shop	
O.	Number of Intrastate Relocations	200
P.	Number of Interstate Relocations	0
Q.	Average Distance of Relocation	300 miles
R.	Average Cost of Relocation	$194.00
S.	Average Weekly Wage in New Position for Relocated Workers	$ 73.12
T.	Number of Relocatees Who Have Changed Jobs	14
U.	Number of Relocated Workers Who Have Subsequently Been Laid Off	3
V.	Average Monthly Cost of Home or Rent in New Job Area for Relocated Workers	$ 82.50

W. Table of Characteristics of Project Population

	Project Population	Number Eligible For R.A.A.	Number Ineligible For R.A.A.
TOTAL	920	713	207
AGE			
19 and under	213	180	33
20 to 24	263	206	57
25 to 34	221	160	61
35 to 44	141	105	36
45 to 54	60	47	13
55 to 64	22	15	7
65 and over	0	0	0
EDUCATION (Years Completed)			
Under 8	268	211	57
8	113	92	21
9-11	215	177	38
12	289	212	77
College 1-3	31	20	11
4 or more	4	1	3
RACE			
White	877	679	198
Negro	43	34	9
Other	0	0	0
MARITAL STATUS			
Married	512	387	125
Single	345	278	67
Other	63	48	15

W. Table of Characteristics of Project Population (Continued)

	Project Population	Number Eligible For R.A.A.	Number Ineligible For R.A.A.
NUMBER OF DEPENDENTS			
None	53	46	7
1	324	253	71
2	160	122	38
3 to 4	240	185	55
5 or more	143	107	36
HOUSEHOLD HEAD			
Yes	543	414	129
No	377	299	78
UNEMPLOYMENT COMPENSATION RECIPIENT			
Yes	88	70	18
No	832	643	189
WELFARE RECIPIENT			
Yes	1	1	0
No	919	712	207
FINANCIAL RESERVE			
None	*	535	*
Less than $100	*	46	*
$100 - 499	*	42	*
$500 - 999	*	15	*
$1,000 - over	*	18	*
Unknown	*	57	*

W. Table of Characteristics of Project Population (Continued)

	Project Population	Number Eligible For R.A.A.	Number Ineligible For R.A.A.
WEEKS UNEMPLOYED			
Less than 5	300	216	84
5 to 14	216	158	58
15 to 26	204	174	30
27 to 52	200	165	35
MDTA TRAINING			
Applied - Not Enrolled	37	27	10
Dropped Out	16	10	6
Completed	416	356	60
Still Enrolled	41	36	5
Other	410	284	126
OCCUPATIONAL CLASSIFICATION			
Professional (0)	43	25	18
Clerical and Sales (1)	113	90	23
Service (2)	117	99	18
Agriculture (3)	59	50	9
Skilled (4-5)	257	200	57
Semiskilled (6-7)	155	114	41
Unskilled (8-9)	176	135	41
UNION MEMBERSHIP			
Yes	47	23	24
No	873	699	183

* Indicates Information Not Available.

X. Characteristics of Persons Relocated

AGE	
19 and under	43
20 to 24	80
25 to 34	46
35 to 44	19
45 to 54	9
55 to 64	3
EDUCATION (Years Completed)	
Under 8	38
8	25
9-11	57
12	75
College 1-3	4
4 or more	1
SEX	
Male	182
Female	18
MARITAL STATUS	
Married	106
Single	81
Other	13
NUMBER OF DEPENDENDS	
1	74
2	42
3 to 4	64
5 or more	20

V. RESULTS OF VIRGINIA LABOR MOBILITY PROJECT

A. Findings

In carrying out the Virginia Labor Mobility Project, certain basic facts became apparent as the project developed. First, and probably most important, is that the unemployed worker of Southwest Virginia is willing to relocate to find employment. Second, the availability of financial assistance makes it possible for many persons to relocate who otherwise would be unable to do so. Third, the younger worker (under 35) is more likely to relocate than the older worker. Fourth, the percentage of workers who quit their jobs and return to the supply area is highest among the very young and the older workers. Fifth, the employers of the demand areas of the project are willing and often anxious to hire workers from Southwest Virginia. Sixth, is the fact that financial assistance is not the only important factor in the successful relocation of workers.

It is generally well known that people at the Appalachian region have been immigrating to areas of greater employment opportunity for years. For example, census figures show a decided drop in the population of six of the eight counties included in the supply area of this project between 1950 and 1960. Although it was known that people were leaving the area, it was not known how well motivated the people remaining were to seek opportunities and employment available elsewhere. The statistics of this project show, and interviewers report, that the majority of the people interviewed were willing and anxious to relocate to find jobs. Of the 920 persons interviewed 659 or 71 percent said they were willing to relocate. The willingness to move was usually expressed before the person being interviewed was informed as to the extent of financial and other assistance that would be available. The 920 persons of the project population are a substantial sample of the unemployed workers of the area, and it is believed that their expressed desire to relocate is typical of the unemployed worker in general.

That financial assistance is needed to make it possible for most workers to relocate, is borne out by the fact that 754 people or 82 percent of the project population had no financial reserve. Of the 166 people who did have a reserve, 38 percent or 53 people had less than $100. Obviously these people could not relocate without financial assistance from some source

The results of this project emphasizes the fact that younger people are more mobile than older workers. Of the 648 people who were willing to move 51 percent or 330 people were 24 years old or younger, and 75 percent or 486 were 34 years old or younger. Of the 200 persons actually relocated approximately 58 percent were 24 years old or younger. Only 34 of the relocatees, or 17 percent, were over 34 years old.

Of the 200 workers who relocated 127 were 24 years old or younger, 39 were in the age range of 25 to 34 and 34 were 35 years old or older. Of the 116 in the youngest age group, 47 relocatees, or 37 percent, returned to the supply area. Only 7 of the 39 persons in the age group 25 to 34 have returned. This is a return rate of about 18 percent for this age group. Of the 34 relocatees who were 35 years old or older 36 percent or 12 workers have returned. There were, of course, many reasons for workers returning to the supply area, but it is believed that most returns were due to homesickness, fear of, or unfamiliarity with, the large cities of the demand area and financial difficulties. As noted above 127 of the relocatees were under 25 years. In a great many of the cases, these young people had never been away from the rural area of Southwest Virginia. For the most part, they had no friends and relatives in the demand area and generally speaking, they were too shy or reserved to make friends easily. In view of their background, it is not surprising that many found the attraction of home and friends greater than a job in the city. The fact that fear of a city might cause a grown person to quit his job might seem fantastic, but again, the background of the relocatees must be considered. In the eight counties of the supply area there is only one city of more than 15,000 population, and many of the relocatees had never been in a town of more than a few hundred population. To people of this background the large city is just as fear provoking and unfamiliar as the mountains and forest of Southwest Virginia would be to a city dweller. Several reports were received of relocatees who were afraid to leave their home in the city to go shopping for food. They were afraid of becoming lost. There were also reports of fear or inability to use the bus service in the cities.

The financial assistance provided was a great help to relocatees but in many cases was not enough to meet the initial heavy expenses of relocating. Immediately upon reaching

the demand area, and before any wages were received, the relocatee incurred expenses for rent, deposits on utilities, food and other expenses not considered in determining the relocation assistance allowances. In most of the demand areas, rent and other living cost are high and in many cases, the relocatee simply did not have the money to meet these initial expenses and to tide him over until he received his first wages.

During the six months the project was in operation, 569 jobs were developed in the demand areas. Several employers sent interviewers to the supply area local offices to conduct positive recruiting and some employers agreed to hire relocatees without interviews. The number of jobs developed and the general cooperation of employers seems to be ample proof that jobs are available and employers are willing to hire workers from Southwest Virginia.

It has been well demonstrated by this project that the offer of financial assistance will encourage unemployed workers to move to a new area, but there is a vast difference between simply moving a worker and successfully relocating him. In this project 200 workers were moved but far fewer successful relocations resulted. At the last count 75 workers had returned to the supply area for reasons previously described. By now the number of returnees is probably near 100 or 50 percent of the relocatees. Obviously something other than financial assistance is needed. Recommendations to make relocation efforts more successful are included in Part E of this section of the report.

B. Problems Encountered

From an operational standpoint the problems encountered were due primarily to the fact that very little time was available for planning operational procedures, studying and interpreting operational instructions and orientation of personnel. The operational part of the project was originally scheduled to end on June 30, 1965. Final approval of the project was not received until February 8, 1965 and the Labor Mobility Handbook was not received until March 10, 1965. The handbook and all forms had to be reproduced and distributed to the local offices. The operational phase of the project started on April 6, 1965. Additional staff had to be hired for the project, including three interviewers for the supply area local

offices. These interviewers were inexperienced and with little more than a weeks training and orientation they began interviewing the project population. The Local Office Managers and the Field Supervisor in the supply area were available for advice and assistance, but other duties demanded most of their time. Consequently, a great deal of work and responsibility was placed on the new interviewers. In view of their inexperience the interviewers did remarkably well, but errors in judgment were made that would have been avoided had experienced personnel been available. The payment of relocation assistance required the completion of a number of forms and was a new function for the Employment Commission. Due to the number of forms involved and the lack of experience with this type of payment, delays that somewhat hindered relocation efforts were experienced.

Although it is difficult to determine their effect on the mobility project, other activities were being conducted in the supply area during the project. Recruiting for the Job Corp was at its peak and trainees were being recruited for several MDTA classes in the area. Since the people recruited by these activities were obviously willing to take advantage of an opportunity, it is certain that some of them would have been drawn into the mobility project. This cannot be considered a problem but it probably did have some effect on project results.

Communication between local offices and the central office was very good during the project. The problems that did arise were solved with a minimum delay by use of the telephone.

Cooperation with the National office was good, but it is felt that more advice and information could have been given as to data collection and reporting procedures.

C. Steps taken to Resolve Problems

As problems arose, steps were taken immediately to solve them. The project director was in daily contact with the supply area local offices and many of the demand area local offices. Analysts from the Research, Statistics and Information Division and the project director spent a great deal of time in the supply area advising and assisting the interviewers. They also made frequent trips to the major demand area local offices to advise in data collection procedures and to help solve operational problems.

D. Relationship of Virginia Project to National Mobility Program

In Virginia as in most states there are areas of chronic unemployment. The Mobility program, as defined by the Manpower Development and Training Act, is intented to determine what effect relocation assistance to unemployed workers will have on the mobility of workers, and unemployment in these areas. The Virginia Mobility Project was aimed at one of the most chronic areas of unemployment in the Nation, the Appalachian Region of Virginia. The Appalachian Region extends into several states, and the other states have much the same problem as Virginia. Since conditions in the other states are similar to those in Virginia, the information gained and the conclusions drawn in the Virginia project should be applicable, in some degree, to the other states in the Appalachian Region. Unemployment in the Appalachian Region is one of the most critical unemployment problems in the Nation. Since the Virginia project was aimed at one of the most critical problems, the results of the project are of prime importance in the National Mobility program.

E. Suggestions for Future Projects

An analysis of the project just completed suggests that any future Mobility project in Virginia should be conducted along the lines outlined below. A project has been proposed which incorporates most of these features.

More time is needed for screening and counceling applicants in the supply area. We also need to spend more time with our relocatees in the demand area. In addition to these revisions, we also need to make our payments to relocatees more flexible, so that they can meet their expenses as they are incurred. In several cases, the payments have not been enough, and in other cases the timing of the payments has not been sufficient to allow relocatees to meet their initial expenses. In the light of these problem areas, we can make some basic suggestions for setting up a new project.

Applicants for R.A.A. need to be counseled extensively on the feasibility of moving to other areas. Some of the personal features of the applicant should be explored, such as family ties in the supply area, his jamily's attitude towards the move, and his wage potential in the demand area. In addition, the applicant should be thoroughly informed of the cost of living in

demand areas, and of some of the problems that he may have in adjusting to his new environment. When positive recruitment is undertaken or when the worker is hired without an interview with the employer, he should be fully aware of the working conditions on the new job. Further precautions should be taken so as not to place applicants with firms who have a high rate of turnover among their employees.

Whenever possible, applicants should be allowed to visit the demand area, and if necessary, to talk with two or three different employers. During this visit, he should be counseled on the costs and conditions of living and the general tempo of life in the area. The money for this visit could be assigned to the local offices in the supply area. The Claims Deputy or another person can pay the applicant from a petty cash fund. If it is necessary to stay longer in the demand area than we originally anticipated, the demand area office should be able to provide the needed additional funds. If the applicant accepts an offer of employment while he is in the demand area, he may stay in the area and begin working or he may arrange with the employer to begin work at a later date. While it is usually desirable for the applicant to return home and get his belongings, the nature of the job won't always permit it. In such cases, the worker should be provided with enough funds to allow him to subsist until his Relocation Assistance Allowance arrives.

Relocation Assistance Allowances should not be based on fixed charges, but whould be based on the actual circumstances of the move, as determined by the Mobility Project Officer in the demand area. Married persons usually need to pay a month's rent on apartments and deposits on lights, gas, and other utilities, while single persons can suffice with two weeks payment on a room. Also, the time lapse before the first pay check varies, depending on the employer. Relocation Assistance Allowances should be sufficient to hold the worker over until he receives his first pay check. However, certain precautions should be taken in issuing these allowances, to insure proper management of funds. For instance, relocatees could be given enough funds in the supply area to pay their transportation expenses to the demand area. Upon arrival, they could pick up the remainder of their allowance from the Mobility Project Officer, who could assist them in finding housing and making the necessary

initial payments, such as rent and deposits on utilities. Lack of funds and the mismanagement of funds in the initial phase of relocation have prompted many relocatees to return home.

Experience has shown that the combination loan and grant form of Relocation Assistance Allowances is a burden on both the relocatee and the administration. Therefore we suggest that Relocation Assistance Allowances be in the form of grants only. The barriers against fraud will be built into the project, such as intense counseling and supervision of applicants, and increased management over the use of funds. We also suggest that we dispense with predetermined demand and supply areas. We feel that Relocation Allowances should be available to persons in all areas, who need to relocate to find suitable full time employment.

F. Response to the Virginia Project

Response to the project was generally good. The unemployed workers, even the long term unemployed, appeared to be anxious to take advantage of the opportunity to find jobs. For example, approximately 400 of the project population had been unemployed 15 weeks or more. Local employers, as far as it is known, raised no objection to workers being moved out of the area. Employers in the demand areas cooperated very well and were very interested in the project. There was no political reaction to the project at any level, and labor union officials made no comment.

G. Cooperation with Government Agencies in Other States

The Virginia project was an intrastate project so government agencies in other states were not involved. The Virginia Employment Commission did receive request from several states to collect loans and do follow-up work. Where possible, the Commission is doing the work requested.

H. Implications of Occupational Differences

The results of the project show that the skilled worker is more able and willing to relocate. For example, 412 people or 45 percent of the project population were skilled or semiskilled workers. Of those actually relocating, 45 percent or 92 workers were skilled

or semiskilled. Only 176 workers in the project population, or 19 percent were unskilled. Of those relocating 43 workers or 21 percent were unskilled. The low skilled or unskilled service workers appears to have the most difficulty in successfully relocating. During the project 25 janitors, cooks and nurse aides were relocated. Of this number 13 or 52 percent have returned to the supply area. The average weekly wage of the 13 who returned was $48.00. Many had families to support and simply could not live on the wages earned.

I. Timing of the Project

The project started in April and continued through September. During this period seasonal employment in the supply area was at a peak, reducing to some extent, the number of unemployed workers in the area. Also during this period, unemployment in the state and nation was at a very low level. This abundance of jobs made it possible for some workers to find jobs and relocate without the assistance provided by the project.

J. Workers Reasons for Changing Jobs in Demand Area

Only 14 job changes are shown in the project records. The reasons given for changing jobs are listed below.

1. Changed for better job and better wages. About 65 percent of those changing jobs changed for this reason.
2. Hours of work not satisfactory.
3. Reasons of health.
4. To accept job more closely related to training received.
5. Discharge or layoff.

K. Advantages and Disadvantages of Housing in the Demand Area as Compared to Housing in Supply Area.

A review of the ES-264 forms shows that 53 relocatees expressed an opinion as to the comparative advantages or disadvantages of their housing in the demand area. These opinions and the number of times each was memtioned are listed below.

1. Advantages
   (a) Housing more modern, cleaner, better cooking facilities, better toilet facilities. Mentioned 18 times.

(b) Housing less expensive. Mentioned one time.

(c) Housing located near job. Mentioned nine times.

2. Disadvantages

(a) Living cost higher. Mentioned 22 times.

(b) Living conditions more crowded. Mentioned three times.

L. Relocatee's Suggestions

In the space provided for suggestions on the ES-264, most relocatees made favorable comments about the mobility program but few made any concrete suggestions. The following is a list of the suggestions that were made.

1. More specific and detailed information about the job, working conditions, cost of living, the community and housing should be given to the relocatee before he leaves the supply area.
2. More help should be given the worker in the demand area in finding housing and generally getting oriented in the community.
3. Relocation Assistance Allowance should be processed and paid with less delay.
4. All relocatees should be able to have a face to face interview with the employer before accepting a job.

VI. SUMMARY AND CONCLUSIONS

A. Summary

The Virginia Labor Mobility Project was designed and carried out to test the effects of financial assistance on the mobility of unemployed workers in Southwest Virginia. The area from which the project population was drawn, or the supply area, lies in the Appalachian Region of the State and has been plagued by a high rate of unemployment for many years. As pointed out in apreceding section of this report, the high rate of unemployment in the area is due to a number of reasons, chief of which is the automation of the coal mining industry. In contrast to the unfavorable employment picture in the supply area, jobs are, and have been for some time, very plentiful in those parts of Virginia that make up the demand areas of the project. The fact that Virginia does have both areas of high unemployment, and areas where there is a shortage of workers, is the primary reason for conducting the project on an intra state basis.

The project population was a relatively homogeneous group in that they grew up in a rural area, were comparatively young, were of the caucasian race, had been educated in rural schools and had a limited amount of education, had very little in the way of financial reserve, and as shown in the statistical tabulations of this report, were similar in other characteristics. Much has been said and written about the people of the Appalachian Region, their reticence, their pride, their unwillingness to accept assistance, their lack of initative, their distrust of outsiders and other generalizations. Experience with this project and with MDTA training projects in the area, show that these generalizations cannot be applied to the people of Southwest Virginia. The completion of the interview forms used in the project required that the individual reveal a great deal of personal information. The members of the project population, almost without exception, supplied the needed information without hesitation. Although the persons interviewed were not humble they did not let pride keep them from seeking help in finding a job, nor from accepting financial assistance in relocating. The fact that 920 people responded to the project, and of these 659 were willing to relocate to find employment, is a convincing argument that the people of the area have the

desire and initative to better themselves. In other words this project revealed no common characteristic of the people of the supply area that would hinder their relocation to jobs out of the area.

It was very well proven during the project, that by intensive and well directed effort the Employment Service can develope jobs for the unemployed worker of Southwest Virginia. A total of 569 jobs, in a variety of occupations, were developed. Employers appeared to recognize the potential of organized labor mobility efforts to relieve long standing worker shortages.

As shown by the statistics of this project, most members of the project population were not financially capable of relocating without assistance. As far as could be determined, they were making little or no effort to relocate before being brought into the project. In view of the results of the project, it seems reasonable to conclude that the offer of financial assistance and help in finding a job had a great deal of influence on the workers decision to relocate. The comments appearing most often on the ES-264 was a statement by the relocatee that he would have been unable to move without the assistance provided. Although financial assistance is very important in relocating workers, there are other factors that appear to be equally important. These other factors include help in finding a job, help in securing suitable housing, and help through extensive counseling before and after relocation, in overcoming fear of and unfamiliarity with strange, new surroundings. These factors are of particular importance in relocating rural people to a metropolitan area.

B. Conclusions

Indications are that unemployment in the Appalachian Region of Virginia and other states will continue to be a problem, at least in the foreseeable future. The results of this project appear to justify the conclusion that an organized relocation effort can help reduce unemployment in this area.

The people are willing to move and work elsewhere, but lack of money, inability to find jobs for themselves, and a very natural fear of unfamiliar surroundings keeps them from leaving. Any relocation effort, to be effective, would have to take place over a period of

years. Points made abundantly clear during this project are that success in relocating workers requires organization, trained personnel, extensive knowledge of the economy, experience and good communications. The Employment Service, because it has the organization, the experience and other factors needed would appear to be the logical organization to carry out a large scale relocation program.

In addition to work done by the agency conducting relocation programs, the support of the community is very vital to success. Such organizations as the Red Cross, Salvation Army, church groups, Parent Teacher Associations, and other civic groups could contribute a great deal to the success of relocation projects. The relocatee, being in a new and strange neighborhood, is usually very much in need of the services offered by these civic groups.

C. Recommendations for Action

1. R.A.A. for More People

On the basis of the results of our Labor Mobility Demonstration Project, we believe that Relocation Assistance Allowances need to be extended to involuntarily unemployed workers in all areas, who need to relocate to find suitable, full time employment. However, as we noted in various sections of this report, many concepts and problems have to be ironed out before a smooth and efficient large-scale mobility program could be undertaken.

2. How Much R.A.A. and in What Form?

R.A.A. should not be based on fixed charges, but should be based in the actual circumstances of the move. Married persons usually need to pay a month's rent on apartments and deposits on lights, gas, and other utilities, while single persons can suffice with two weeks payment on a room. Also, the time lapse before the first pay check varies, depending on the employer. Relocation allowances should be sufficient to hold the worker over until he receives his first pay check.

We also suggest that R.A.A. be provided in the form of grants only. Loan repayment and collection is a terrific unnecessary burden on both the relocatee and

the administration. Barriers against fraud should be built into the project, not added on.

3. Eligibility Requirements and Job Openings

Eligibility requirements exist, in large measure, to protect prospective employers, the agency conducting the program and the general standards of the program. People who quit their jobs without prospects for other employment, people who are able to find employment locally, and people who were recently fired from their job for misconduct are usually poor prospects for relocation. The results from our project show that these people bring hardships on both the employer and the administrator in the demand area and they lessen the chances for worthy people who want to relocate. We feel that the eligibility requirements, as they exist in the Handbook for Labor Mobility Project are just and fair, and should not be changed.

The decision as to whether or not underemployed people should be eligible for R.A.A. should be determined on an individual basis. Chapter VII of the MDTA Handbook classifies an "underemployed individual" as:

a. one working below his skill capacity

b. one who now is or has received notice that he will be working less than full time in his industry or occupation, or

c. one who has received notice that he will be unemployed because his skill is becoming obsolete.

This interpretation of underemployment, in many cases, leaves the question of whether or not the person is underemployed up to the judgment of the interviewer. To avoid conflicts with local employers, the interviewer should obtain a written determination from the employer, before relocating an underemployed worker. To save confusion, however, a person who claims that he is underemployed should be counted as eligible at the initial interview.

Job openings in the demand area should be evaluated in terms of whether or not they can be filled locally, before referring the openings to the supply area. However,

jobs should not be referred to the supply area when the wages paid are substandard for the occupation. Entry level wages can be justified, if the person referred to the job is an MDTA graduate or another person without lengthy on-the-job experience.

4. Increasing Labor Mobility

Internal migration from distressed areas has been a part of American life for many decades. However, there have always been people who refuse to move, for various reasons. According to the Committee for Economic Development, "Lack of knowledge of opportunities elsewhere, lack of training for a different occupation, familarity with the home community, deep emotional ties with family and friends, investment in a home, and exhaustion of personal savings, all discourage migration. Difficulty in securing new jobs is particularly marked for the unskilled, for the new workers, for workers over 45, and for members of racial minorities."

Through MDTA training, job development, and the provision of financial assistance to relocating workers, we have taken a big step in overcoming some of the factors that hinder labor mobility. However, in order to be more successful in our efforts, we need to take a more personal interest in our relocatees. Applicants for R.A.A. need to be counseled extensively on the feasibility of moving to other areas. Some of the personal features of the applicant should be explored, such as family ties in the supply area, his family's attitude toward the move, and his wage potential in the demand area. In addition, the applicant should be thoroughly informed of the cost of living in demand areas, and of some of the problems that he may have in adjusting to his new environment. When positive recruitment is undertaken or when the worker is hired without an interview with the employer, he should be fully aware of the working conditions on the new job. Further precautions should be taken so as not to place applicants with firms that have a high rate of turnover among their employees. Whenever possible, applicants should be allowed to visit the demand area and, if necessary, to talk with two or three different employers. During this visit, he should be counseled on the costs and conditions of living and the general tempo of life in the area.

In summary, increased labor mobility can best be fostered by increasing the extent of personal services provided to relocating workers and prospective relocatees. In this manner, we can overcome some of the inhibitions that deter persons from relocating and we can increase our rate of successful relocations.

5. MDTA Training to Reduce Local Unemployment

MDTA training can only help to reduce unemployment to the extent that it enables its graduates to find jobs. In some sections of the country, there are cases where "hard-to-fill" job openings exist in the midst of structural unemployment. In these cases, unemployed workers could be trained or retrained to fill local employment needs. However, in distressed areas where no job opportunities exist, justification of training must be based on the workers willingness to relocate.

6. MDTA Training and Manpower Utilization

In some cases, training people for local jobs can result in failing to utilize the full potential of the individual. This happens when a worker is trained or retrained for a skill which is below "capacity to learn." Therefore, MDTA training should not be limited to training for a few local jobs, but whould be expanded to include a variety of occupations, based on the demands of a large geographical area.

7. Further Research Needs

Further research is needed to determine the degree of personal services that can be provided relocatees and prospective relocatees, at a reasonable cost. We also need to know what effect these services will have in inducing people to move and in increasing the rate of successful relocations.